UACES 39th Annual Conference

Angers, 3-5 September 2009

www.uaces.org

Capacity-building in Central and Eastern Europe: Institutional Adaptation, Elite Creation or Neo-Colonialism?

Roger Lawrence
DRAFT
Paper for UACES Conference, Angers 2009

Roger.lawrence@wolverhampton.gov.uk
guestrla@associate.wbs.ac.uk

Abstract

One of the commonly identified needs of accession countries is the creation of stronger capacity throughout government and civil society. Weak capacity is seen to lead to poor performance in developing institutions, in attracting and managing programme funding, in combating corruption and in adapting civil society to the norms of supranational institutions.

Significant levels of resource have been directed at building the capacities of individuals and organisations to adapt institutions and processes to fit better with supra-national governance regimes. This investment has generally been seen as positive assistance to accession states and increasingly to 'new neighbours'.

Drawing on findings of a recent study of cross-border collaboration, this paper seeks to identify the nature of capacity-building. It suggests there may be other outcomes; that by empowering certain sectors capacity creation may also be elite formation in government, particularly central government, causing the disempowerment of other sectors.

Capacity building may also be a direct result of the demands of the processes of the very institutions (such as the EU) which are promoting capacity-building measures. Barriers set up by supra-national organisations and their expectations of 'clients' can demand a set of international capacities which undermine or make redundant existing local capacity creating a form of neo-colonialism.

Introduction

The concept of 'building capacity' is a commonly used description of processes aimed at enhancing the ability of different groups to obtain access to sources of power, resources, technical knowledge and skills. As such capacity-building has largely been seen as a positive and generally non-ideological process. Capacity-building has been seen as an attempt to right imbalances in power either within developed societies or, frequently, where developed and less developed societies engage. Only recently have some of the benign assumptions about the nature of capacity-building been examined and challenged (Mowbray, 2005, Craig, 2007 and Fagan 2008). As Craig claims capacity-building "is essentially not a neutral technical process; it is about power and ideology and how these are mediated through structure and process" (Craig, 2007: 354).

Two recent studies have looked at the role of capacity-building in parts of the Former republic of Yugoslavia (FRY) which are seeking accession to the European Union and are beneficiaries of various pre-accession funding regimes (Ateljevic, 2008, Fagan, 2008). My own research on cross-border collaboration between Hungary, Romania and Serbia brings a perspective from accession countries as well as pre-accession states.[1] While I believe that the limited number of critical analyses of the motivation, content and impact of capacity building extends beyond the Central and Eastern European region, this is the area I will consider.

I will attempt to develop a conception of capacity building and the creation of social capital: what it is, how it is supported and who benefits? I will then go on to pose three possible models or outcomes of capacity-building in Central and Eastern Europe. The first is the adaptation of institutions of the new democracies better to fit with those of the EU and those of other donor bodies or supra-national agencies. The motivation is driven by the external agencies and by the new democracies in the desire described by Jacoby to emulate Western models of governance (2004). Normative preferences may be articulated but intuitional adaptation can be seen as part of a wider process of Europeanisation or perhaps more accurately EUification rooted in the adoption of the *acquis communautaire*. Capacity building is essentially an issue of institutional change, although Mungiu Pippidi has criticised the *acquis* for its lack of a "strategy for building institutions" (2004:58).

The second outcome is the creation within the host community of a technically competent, well networked elite of, primarily, advisers and administrators who are trusted to deliver major development programmes and act as intermediaries between the donor agencies and the culture and society of the recipients. Perkmann refers to elite policy entrepreneurs who "search for problems to which they can offer a solution" (2007:806). The focus of this is on individual actors and agencies. Bailer et al refer to the iron law of oligarchy in which "the few always dominate" and to the asymmetry of power following enlargement (2009:105).

The third model sees capacity-building as leading to a form of neo-colonialism. Expertise and modes of working are parachuted in to countries with a pre-determined understanding of how things should work. Existing local capacities are ignored or devalued. Fagan refers to the benign concepts of capacity-building as being codes "for the transformation and undermining of local knowledge, disregard for existing capital, construction of new networks of experts and the importation of rationalities based on Western European discourses" (2008:629). The capacity-building is demanded by external organisations, delivered by outsiders (usually consultants) and represents not just an imposed managerialist solution but also an ideological production of power (Coole, 2009:381). Neo-colonialism can be seen to be a process.[2]

Capacity-Building and Social Capital

The creation of social capital is the outcome anticipated by benign models of capacity-building. Coole sees social capital initiatives as essentially political "designed to repair the ideological reserves of the contemporary liberal state" (2009:375). Like capacity-building, social capital is on one level intended to enable civil society to engage with the sate and on another to ease the way for technical and managerial solutions to policy dilemmas whose roots may be neither technical nor

managerial. The creation of social capital and capacity-building may be seen to be synonymous.

Jacoby describes the classic view of capacity-building as "to build up actors at regional levels who are competent enough to engage with the demands of planning and implementing regional policy" (2004:86). Capacity-building is externally driven and needs to be developed outside the central state (Perkmann, 2007:886). As Bruszt notes, it is "sub-regional and non-state actors (who) are weak and disorganised" (2008:609). Yet when we come to look at accession and candidate countries much capacity development (especially through the *acquis*) is focused on central state administrative capacity rather than at the regional or civil society levels. In addition it is not clear whether these initiatives are aimed at the institution or the individual..

As well as the issue of whose capacities are being built (central government, regional or local government or civil society); there is a need to be clarity about what kind of capacity is being developed. Capacity is generally seen as being around technical and managerial issues such as organisational effectiveness, financial management or service delivery (Ateljevic, 2009:348). But it may equally be political or communicative capacity which needs enhancing. There are also less tangible aspects of capacity such as emotional intelligence, learning and knowledge "which enhances actors' capacity to act" (Boydell et al, 2008:17) Capacity can even extend to trust-building and leadership development.

Capacity-building initiatives can be directed aimed at either individual actors (for example through skills enhancement) or at organisational development (such as culture change). It is important to distinguish types of capacity and also the sectors which are targets of capacity-building initiatives (government: national, regional or local, enterprise, civil society, young people, women). Capacity-building which attempts to include everything is likely to deliver nothing. Further, while capacity-building can be seen as empowering and participative (Vangen and Huxham, 2003:567), it can equally be a means of 'buying off' community and civil society organisations with a small resource and a discourse of lacking capacity which may lead them to marginalise themselves. Sullivan et al see the tensions between delivery and outcomes "the process of capacity-building takes time…..it exists alongside the need for early wins" (2002:209).

Capacity-building has been seen as a 'soft' concept, too loosely applied to enable effective assessment of what it delivers, to whom and how well. Sullivan and Skelcher suggest that; "the quality of relationships rather than managerial or technical capacity was more significant in explaining success" (2002:7). Yet lack of capacity and the need for capacity-building (however defined) continue to be major themes for both accession and (potential) candidate countries: "European cadre capacity has persisted as one of the core problems and concerns of many European businesses" (Fink Hafner, 2007:817).

Capacity-Building as Institutional Adaptation

In accession countries adaptation refers to the necessity of aligning primarily governmental bodies but also to a degree civil society organisations to allocate and absorb EU funding. As Hughes et al noted:

> "states with weak administrative capacity and poor control at the regional and local level were more likely to have serious problems with the mismanagement of funds or even with accessing them in the first place" (2004:532).

This managerialist imperative was reinforced by a stereotyping which saw the Balkans negatively, typified by "instability and conflict (while) Europeanisation is understood in general as the adoption of 'Western' norms" (Tamminem, 2004:400).

On the ground this was reflected by respondents who were involved in the Europeanisation process:
> *"levels of investment in new member-states are under-resourced. They have no management capacity, half the problems are rooted in poor, inefficient management" (Resident Twinning Adviser, Romania).*

The technical nature of the diagnosis was echoed elsewhere: *"the problem of capacity limits the absorption of EU funds. We can provide technical help to acquire capacity" (Council of Europe).* Civil servants in the accession countries saw things rather differently. For them it was the demands emanating from the funding programmes which caused the burden:
> *"Procedures for selection and approval of CARDS, PHARE and ERDF set quite a problem to synchronise rules and guidelines. It's not easy, you have to stick to it but arguments go on and on" (National Govt, Hungary).*

The Commission and its intermediaries were seen not just as setting the rules but changing them at will leading to delays which could threaten the continuation of funding*: "every change of contract demanded by managing authorities brings delays and the prospect of decommitment" (Regional agency, Hungary).* Despite these differences both the Commission and accession country officials saw these early funding programmes such as PHARE as trial runs for the later structural funds*: "many beneficiaries showed they could handle programmes. Success in Capacity-building was one of the useful outcomes of PHARE" (EU Commission).*By contrast the evaluation of PHARE in Romania was less supportive "PHARE did not contribute enough to ensuring that national co-ordinating structures and procedures were in place" (MWH Consortium, 2006:III). Both views tend to emphasise that capacity-building was seen in terms of programme management although Papadimitriou and Phinnemore point out that "institutional adaptation was only part of the EU's impact on candidate countries" as only 30% of PHARE funds were directed to institution-building.

A second form of institutional adaptation was the adoption of the 'partnership principle'. This principle was intended to ensure the provision of political space for a range of actors including civil society, to link the domestic policy context with the international and to provide space for policy learning and development (Schmidt, 2007:211). In practice increasing the numbers of autonomous actors also threatened to put up co-ordination and transaction costs (Bauer, 2002:776) The imperative to ensure swift and effective distribution of funds led to the partnership principle being abandoned as part of a "Faustian bargain in which the core values of democratic government are traded for accommodation, consensus and the purported increased efficiency of government" (Peters and Pierre, 2004:85). The responsibility for this retreat could even be laid at the door of the victim:

> *"(There is) a need to strengthen civil society and democratic capacity and learning processes. The local level doesn't always realise they've a role to play" (EU delegation, Romania).*

A third form of institutional adaptation in Romania and Hungary was the establishment of regional agencies (RDAs) at NUTS II levels to administer and manage funding programmes.[3] Although local government had an indirect role in Regional Development Councils, the intermediate status of the Regional Development Agencies sitting between central government and city and county councils gave them a degree of autonomy but left them subject to strong influence from and accountability to central government and, in Romania, the EU delegation:

> *"Legally no other organisation can co-ordinate programmes. We are accountable to the Ministry of Finance but build at a regional level …otherwise projects would not be co-ordinated" (RDA, Romania).*

In Hungary, despite the Regional Development Councils, operational programmes were co-ordinated and controlled through the National development organisation and decisions appeared to be delegated upwards:

> *"Each RDA has a unique regional programme, all seven work together to push ideas at project and managing-director level, we push decisions up to director level or if we can't reach agreement to the Ministry in Budapest" (RDA, Hungary).*

Even without the stick of conditionality and the carrot of the structural funds, Serbia also showed distinct signs of institutional adaptation, however distant the prospect of EU membership. Some respondents in both Hungary and the Commission saw Serbia as being better adapted than Romania. Within Serbia, the influence of the EU on institutional adaptation was recognised:

> *"Most of the positive measures of the Government have been initiated by the EU or external pressure. They've been achieved by EU pressure rather than internal incentives" (NGO, Vojvodina).*

If institutional adaptation occurred primarily at the level of central government and through the 'agency model' at regional levels, the demands and expectations of civil society organisations were less well met. Cross-border cooperation, for example, was seen as being:

> "primarily in the discourse of various local authorities interested in European pedigree while in the civil sector this initiative will remain for the time being in the hands of a number of veteran organisations increasingly confused about the meaning of their cross-border engagement" (Branea, 2003:89).

Fagan describes the language of capacity-building as focusing on technical assistance and organisational and management know-how. With complex processes for accessing funds, he sees them going to a few larger NGOs while others lack the "capacity to develop the kind of projects the EU wishes to support" (2008:646). Locally derived priorities become subsidiary to those of the funders as there is a "reliance on external funding to set priorities" (Local Govt, Romania). As Craig suggests, capacity-building is a "way of creating local structures fitting with government funding requirements" (2007:353).

Capacity-building as institutional adaptation is likely to focus resources on central rather than local government structures, on regional agencies rather than democratic local councils and on government institutions rather than civil society organisations.

In Romania, Civil Servants dealing with European funding were allegedly receiving 75% bonuses (Central Govt, Romania). The resources devoted to the provision of 'twinning' advisors in central government far exceeded those of other sectors. Adaptation also drove a:

> *"concern with process, even monitoring is focused on financial monitoring not on what is really achieved. Bills and invoices (must accord) to the rules. It is important that money is spent up to 100% but it is equally important how the money is spent (National Govt, Hungary).*

There are counter views which challenge this picture of a one-way street of adaptation. Fink Hafner sees Europeanisation as bringing divergence as well as convergence in national models of coordinating EU affairs and states that "national adaptation to manage EU affairs will vary (2007:806). Bailer et al (2009) note the impact of the enlargement process on the institutions of the EU itself and Papadimitriou and Phinnemore suggest that institutional adaptation is "only part of the EU's impact on candidate countries" (2004:416). The technical and hierarchical nature of adaptation may, in the end, only be significant to the few. As Tamminem notes, outside elite circles, "European values or norms do not seem relevant to the everyday life of ordinary people" (2004:416). As a result capacity-building may be as much about elite creation and activity as it is about institutional adaptation.

Capacity-Building as Elite Creation

In discussing institutional adaptation, I distinguished between the importance given to the Centre over the periphery, to the technical and administrative over the democratic and to state over civil society. However, even within these institutions and sectors, capacity-building advantages certain actors over others. Fink Hafner notes, in relation to pre-accession Hungary, the special status given to an "EU specialised politically 'untouchable' segment of public administration (2007:xxx) while Papadimitriou and Phinnemore claim that the *acquis* "creates new groups of 'winners' and 'losers' at the domestic level" (2004:622).

Within the central state individuals with knowledge and expertise and, usually, networks of contacts become crucial to accessing funding*: "In Bucharest X is the person who can sort things out. Y is useful and good at getting the green light" (National Govt, Hungary).* Officials, rather than politicians, were seen as key in these processes although distinctions between political and functionary role are not always as clear as in Western tradition (Meyer Sahling, 2006:705). Nevertheless one respondent made the point about networks of officials:

> *"Officials are key players; politicians don't have the understanding or have the links to key officials in Bucharest or Belgrade which local officials have" National Govt. Hungary).*

Palne Kovacs et al see this Europeanised elite as "operating primarily at a national level" (2004:456). Wolf also argues that the EU:

> "strengthens the position of national governments vis a vis societal demands. Only national governments and executive bodies at (EU) level take advantage of what looks like an unintended institutional maze" (1999:235).

My research suggests that these elites are also emerging at a sub-national level and that a Europeanised 'cognoscenti' of a small number of local politicians with access

to transnational networks and of officials familiar with the administrative and bureaucratic requirements of funding regimes is developing. These latter technical secretariats may over time attain increasing degrees of autonomy, knowledge and expertise which can have the impact of excluding others (Tamminem, 2004:402). The role of the central-state will remain paramount while "the underdeveloped private and community sectors become more the recipients of resources rather than prime-movers in the decision-making process" (Ateljevic, 2009:357). With the abandonment of the partnership principle, the top-down nature of European decision-making is likely to lead to local interests being sacrificed (Popescu, 2008:432).

Despite this, even in Civil Society, interesting distinctions were emerging. Fagan describes the emergence of elite level NGOs with preferential access to officials and funding (2008:647). Respondents in both Hungary and the Commission compared the capacity in Croatia and Serbia favourably compared with accession Romania:

> *"Former Yugoslavia retains elements of a developed Civil Society, Chambers of Commerce and other institutions. It is easy to find partners and more room for real cooperation. They are not limited by procedural or structural matters" (National Govt. Hungary)*

Yugoslavia was seen as having greater capacity prior to 1991 and there was a view that people active in Yugoslavia before 1991 had gravitated towards NGOs and civil society. Although generally Central and Eastern Europe was seen to have: *"limited capacity, not the same level of civil society organisations (as in the West)" (Council of Europe),* distinctions were emerging amongst NGOs:

> *"Procedures help build capacity but of the 'usual suspects' – those who could not or who just go to consultancy firms don't build capacity" (NGO, Vojvodina).*

The development of capacity outside the centre still leaves the issue of the nature of the capacity being built. As at the institutional level, it tends to be seen as the acquisition of technical expertise (as required by the funders) which may not reflect what the locality sees as priorities: *"we need money for activities, the next call is for more strategies" (National Govt. Serbia).* Capacity-building aimed at technical and administrative competences and at government rather than civil society are likely to prove exclusive rather than exclusive. Craig makes a similar point about wider partnership working: "(it) has increasingly been criticised for building capacity of the powerful and their organisations or for building the capacity of the weak only insofar as it accords with the interests of the powerful" (2007:348). Similarly, Fagan's research suggests that the likely beneficiaries of capacity building are governmental rather than non-governmental organisations (2008:630).

This focus on capacity not simply as a reaction to the requirements of funders or the need for institutional fit but as the creation of sectoral elites suggests that where power and capacity are limited the result will be exclusion. Even where power is decentralised, the impact may simply be to bolster "the power of local elites and (not) reinforce democratisation" (Dowley, 2006:565). The consequences of this are described by Ateljevic, referring to Bosnia and Serbia where "the prevailing entitlement attitude, the power of the local state and the virtual non-existence of relevant local NGOs presented a high potential for failure" (2009:358).

Emphasis on technical rather than political, democratic or communicative capacity will support the emergence of a Europeanised elite with an interest in reinforcing the importance of technical expertise and preserving its position. In those CEE countries where administrative layers are replaced when political changes occur there may even be a creation of competing elites (Roberts, 2003:301; Meyer Sahling, 2006:696). This approach may also lead to a negation or lack of recognition of existing local capacities. Local civil society organisations may even be encouraged to collude in their own disempowerment:

> *"We haven't got the basic organisation to work out action plans and find common interests...but the main problem is no expertise or knowledge about gathering organisations together" (NGO, Hungary).*

The development of a client status, depending on funders to set priorities could lead to a position where power relations so determine priorities that even local and national elites become in effect servants of supranational entities. Europeanised or EU or Western domination of the accession countries could even be seen as a form of neo-colonialism. Bruszt describes a "hierarchical and centralised territorial Keynesianism" in which the Commission controls the rules and principle of distribution (2008:614).

Capacity-Building as Neo-Colonialism

The notion of neo-colonialism suggests that Europeanisation and capacity-building go beyond adapting institutions and equipping an elite cadre to acquire and absorb funds to the creation of dependencies and imposition of new norms and ways of working. The cultural supremacy of European values and the replacement of existing capacity are built on assumptions of "perfect capacity in the North and that Southern states must learn everything from the northern experience" (Fagan, 2008:635) Fagan goes on to challenge the assumption that there is not relevant existing capacity. However the question remains, do these imposed concepts of capacity and ways of working constitute a neo-colonial relationship with a supra-national institution or even with the dominant western values it represents. Scott describes the 'new' Europe as being "both post-colonial and post-modern in its departure from traditional 'realpolitik'" (2005:433).

A neo-colonial model of capacity-building requires not just the institutional adaptation associated with Europeanisation and the creation of a locally compliant, even client elite but the creation of strong mechanisms of control and the elimination or denial of existing local capacity. It may also be typified by the imposition of externally driven priorities not just on capacity-building initiatives but on control of projects and programmes:

> *"one negative experience was to receive 300,000 Euros for a web portal when what was needed was a new well for drinking water. We still can't access the water but we can send photos and information" (Local Govt, Vojvodina)*

My own research tended to identify the strongest pre-existing capacity in Serbia, often in NGOs and often linked to a form of pan-Slavic nostalgia by people who may have been displaced from positions or roles held prior to 1991. The former Yugoslavia seemed to have had a stronger civil society than the more centralised states of Hungary and in particular Romania. Hungary did however appear to display some continuity in terms of executive agencies dealing with technical planning issues. Craig

makes the point that communities have latent and unacknowledged skills, ideas and capacities (2007:343) and it is these which would be destroyed by externally-imposed concepts of capacity. Fagan echoes some of my suppositions about existing capacities in FRY where expertise and know how "are available locally and can be mobilised on the basis of professional ties, loyalties and connections dating back to the socialist period" (2008:647). Ateljevic sees the socialist legacy in different light. Municipalities in Serbia and Republika Srbska are willing to "cooperate amongst themselves to see to it that resources are shared equally between them but, perhaps because of the continued mentality of socialism, they are reluctant for community associations and NGOs to take much power in the arrangements" (2008:357).

However, even this resilient centralism may be part of a necessary institutional framework for delivering the new imposed models of working. In Romania, although practical reform has not been extensive: "the exposure of local staff to the expertise and experience of (twinning advisors) was producing strong pressure for rationalisation and would….pose a serious challenge to the Romanian way of 'doing things'" (Papadimitriou and Phinnemore, 2004:634). Dobre, on the other hand, refers to a process of 'thin learning' in Romania "in which actors learn to cope with change without changing preferences and avoiding any fundamental reform to the state system" (2008:597). Both Fagan and Bruszt see a strong top-down model of Europeanisation. Bruzst identifies this as having left local actors in a position of 'learned helplessness' by preventing them from developing capacity for local problem-solving (2008:619). Conditionality and the adoption of the *acquis communautaire* can also be seen as part of this top-down process.

The challenge to this supposition lies in the technocratic rather than political nature of the *acquis* (Wolczuk, 2002:243), the unevenness of conditionality across the policy areas and the fact that conditionality was not the only force for transition. Mungiu Pippidi suggests that conditionality based on the *acquis* "worked only in places where conditionality had pretty much taken place" (2004:60). Indeed the Commission did not seek to impose democratic regional structures on reluctant member-states. As Papadimitriou and Phinnemore note the EU fell "well short of prescribing specific blueprints for reform" (2004:636). Further, the potential for the EU to exercise influence fell markedly post-accession. It is in the candidate and aspiring candidate countries that the EU is likely to carry greatest clout: "the relevance of Europeanization as a framework of understanding domestic change stretches beyond the borders of the EU" (Papadimitriou and Phinnemore, 2004:635)

This uneven impact of Europeanisation may be a result of what Sullivan and Skelcher identify as "the process of change (resulting) in the coexistence of 'old' and 'new' ways of doing things" (2002:52). Bruszt provides a further explanation in the changing philosophy of the Commission itself. He sees the first phase as an attempt to create "sub-national endogenous problem-solving capacity with a focus on increasing the capacity of regional state and non-state actors to participate in integrated development policies" (2008:616). This was superseded by a pragmatic shift to a second phase of directing support to centralised management in order to ensure the effective management and absorption of EU monies. He also makes the point that "the claim in regard to the general weakness of regional administration and civil society was never empirically tested" (2008:617). This could be a worst case outcome with

existing capacity undermined and fatally weakened accompanied by a failure to rebuild it at a local or regional level.

This 'Faustian bargain' seems to reflect not so much a dominant, externally driven Europeanisation but rather a convergence of the interests of the Commission and the central state. An accommodation that may have suited state priorities even more than those of the supra-national entity and an accommodation rather than a form of neo-colonialism. Top-down models and a prioritising of technical capacities are likely to be welcome developments for member-states: "state and national parties saw the virtue of centralisation and bureaucratic capacities" (Bruszt, 2008:619). Power relations can be sustained even when legislation, structures and networks are being changed around them (Fagan, 2008:637).

Conclusion

The outcomes of adaptation, elite creation and neo-colonialism can be seen as 'layers' rather than alternatives. In challenging some of the assumptions about capacity-building, I would argue that the key point is not whether capacity needs to be developed or not. It is rather who is determining what capacity is needed, what the purpose of that capacity is, whether the texture of existing capacity has been considered and whose capacity is being developed. I have suggested that current policies share a pre-determination of priorities which privileges technical and administrative capacity over political, communicative or other capacity needs:

> "It may be our capacity to develop institutional conditions of communicative competence rather than our traditional pre-occupation with 'technical competence' which is more important" (Sanderson 2000:451).

The commission and most other actors involved in capacity-building have treated it as primarily an issue around technical and administrative competences. This has had the impact of trying to adapt institutions and of creating a skilled administrative elite. The EU has attempted to involve sub-national actors and institutions, even if not to the degree initially sought (Dobre, 2008:597). Institutional adaptation created decentralised institutional structures but only at an administrative level through the adoption of the 'agency' model. As Ayres and Pearce suggest decentralisation on its own may not be sufficient in any event as there is a danger in "overstating the capacity of regional organisations to know how to tackle the problems they face" (2008:541). However, institutional change and capacity creation was primarily focused on the administration of central government in a form of Managerialism which has weakened the prospects of democratic power sharing.

Managerialism involves not simply the adaptation of government institutions; it also leads to the creation of administrative elites who know their way around the networks and understand the rules:

> "network rules also have a 'dark' side in the institutionalisation of distributive advantage and the exclusion of certain actors, interests and issues. Institutions are not neutral" (Klijn and Koppenjan, 2006:148).

Europeanised elites operate in a complex policy milieu dominated by quasi-pluralist bargaining, existing power dependencies and cooption of actors from outside the 'magic circle' when it suits. There is a powerlessness created by this exclusion and by a failure of excluded individuals and organisations "to realise their interests or

develop their capabilities" (Lukes, 2006:171). Nevertheless the disempowered may be able to create autonomous space in which to "influence governing outcomes better than from collaborating with governing elites" (Davies, 2007:781).

This analysis might be seen as a call for the adoption of 'guerrilla tactics' which could reinforce the view of capacity-building as a neo-colonialist endeavour, marginalising local capacity and imposing a dominant Western model of public administration. Fagan sees capacity-building as "not apolitical and merely technical but a key part of what critics refer to as post-conditionality" (2008:635). Such a conclusion would chime with both Euro sceptic and neo-functionalist views of direction of the accumulation of power at EU levels. However, much of the evidence suggests this downplays the role of national states and administrations: "the fragmented and diverse manner in which the EU has chosen to 'police' administrative reform in Central and Eastern Europe reinforces the significance of domestic factors mediating the Europeanization of the accession applicants" (Papadimitriou and Phinnemore, 2004:636). The neo-colonialist metaphor is both too simple and not open to the fluidity of change. As Scott states descriptions of the geopolitics of Europe as either a:

> "grand scheme of neo-liberal capitalism or re-enactment of coloniality…neglects many complexities of socio-spatial dialectics as well as downplaying the significance of the 'learning' processes that social practice engenders" (2005:xxx).

It is through this focus on learning that capacity-building can be transformed from the centralised, technocratically-driven process that dominates today into one which can build on existing capacity and build the intangible assets that "constitute the foundation for value creation through constant exchange" (Boydell et al, 2008:212). Through its programmes, the EU could reinforce the demands for power-sharing "articulated to a large extent by actors supported and in some cases created by the EU assistance programmes" (Bruszt, 2008:624).

References:

Ateljevic J, 2008, 'Building Institutional, Economic and Social Capacities through Discourse: The Role of NGOs in the context of Bosnia-Herzegovina and Serbia, *Journal of Southern Europe and the Balkans*, 8:3, 347-362.

Ayres S and Pearce G, 2008,'Transforming Regional Governance in Europe' Policy and Politics, 36:4, 539-544

Bailer S, Hertz R and Leuffen D, 2009, 'Oligarchization, formalization, adaptation? Linking Sociological Theory and EU Enlargement Research, *Journal of European Public Policy,* 162-174

Batt J and Wolczuk K, 2002, *Region State and Identity in Central and Eastern Europe,* London, Frank Cass

Bauer M, 2002, 'the EU 'Partnership Principle': Still a Sustainable Governance Device Across Multiple Administrative Areas?' *Public Administration*, 80:4, 769-789.

Boydell L, Hoggett P, Rugkasa J and Cummins A-M, 2008, 'Intersectoral partnerships, the knowledge economy and intangible assets', *Policy and Politics,* 36:2, 209-224.

Branea D, 2003,'"Seven Barren Years" Some conclusions referring to cross-border co-operation between Romania, Hungary and Serbia-Montenegro' in Free Minds, 2003, 86-89.

Bruszt L, 2008, 'Multi-level Governance – the Eastern Version: Emerging Patterns of Regional Development Governance in the New Member States', *Regional and Federal Studies,* 18:5, 607-627.

Coole D, 2009, 'Repairing Civil Society and Experimenting in Power: A Genealogy of Social Capital', *Political Studies*, 57:2, 374-396.

Craig G, 2007, 'Community capacity-building: Something old, something new…?' *Critical Social Policy*, 27, 335-359.

Dobre A-M, 2008, 'Designing and justifying regional reforms: lessons from Romania', *Policy and Politics*, 36:4, 587-600.

Dowley K , 2006, 'Local Government Transparency in East Central Europe', *Local Government Studies,* 32:5, 563-584.

Fagan A, 2008, 'Global-local linkages in the Western Balkans: The Politics of Environmental Capacity-Building in Bosnia-Herzegovina', *Political Studies* 56:3, 629-652.

Fink Hafner D, 2007, 'Europeanisation in Managing EU Affairs: Between Divergence and Convergence, a Comparative Study of Estonia, Hungary and Slovenia', *Public Administration,* 85:3, 805-828.

Free Minds, 2007, *Seven Years in DKMT: The Role of NGOs in Cross-border cooperation,* Timisoara, Associate Free Minds.

Hughes J, Sasse G, and Gordon C, Conditionality and Compliance in the EU's Eastward Enlargement Regional Policy and the Reform of Sub-national Government, *JCMS*, 42:5, 523-551.

Jacoby W, 2004, *The Enlargement of the European Union and NATO, Ordering from the menu in Central Europe,* Cambridge, Cambridge University Press.

Karatnycky A, Motyl A and A Schetzer (eds), 2003, *Nations in Transit*, Budapest, Freedom House.

Klijn E-H and Skelcher C, 2007, 'Democracy and Governance Networks: Compatible or Not?' *Public Administration*, 85:3, 587-608.

Klijn E-H and Koppenjan J, 2006, ‚Institutional Design', *Public Mangement Review*, 8:1, 141-160.

Kohler Koch B and Eising R (eds), 1999, *The Transformation of Governance in the EU*, Routledge, London.

Lukes S, 2006, 'Reply to Comments'*, Political Studies Review*, 4:2, 164-173.

Meyer Sahling J-H, 2006, 'The Institutionalization of Political Discretion in Post-Communist Civil Service Systems: The Case of Hungary', *Public Administration*, 83:4, 693-716.

Mowbray M, 2005, Community capacity-building or state opportunism?, *Community Development Journal,* 40:3, 255-264.

Mungiu Pippidi A, 2004, 'Beyond the New Borders'*, Journal of Democracy*, 15:1, 48-62.

MWH Consortium, 2006*, Romania: National and cross-Border Programmes 1999-2001,* Brussels, DG Enlargement Evaluation Unit.

Pálné Kovács I, Paraskevopoulos, C and Horváth, Gy, 2004, 'Institutional 'Legacies' and the Shaping of Regional Governance in Hungary', *Regional and Federal Studies*, 14:3, 430-460.

Papadimitriou D and Phinnemore D, 2004, 'Europeanization, Conditionality and Domestic Change: The Twinning Exercise and Domestic Reform in Romania' *JCMS,* 42:3, 619-639.

Perkmann M, 2007, 'Policy entrepreneurship and multi-level governance: a comparative study of European cross-border regions', *Environment & Planning C* (Government and Policy), 25, 861-879.

Popescu G, 2008, 'The conflicting logics of cross-border re-territorialization: the geopolitics of Euroregions in Eastern Europe', *Political Geography* 27, 418-438.

Roberts D, 2003, 'Hungary report' in Karatnycky A et al (eds) 2003, 286-307.
Sanderson I, 2000, Evaluation in Complex Policy Systems, *Evaluation,* 6:4, 433-454.

Schmidt D, 2007, 'Anti Corruption: What Do We Know? Research on Preventing Corruption in the Post Communist World', *Political Studies Review*, 5:2, 202-232*.*

Scott J, 2005, 'The EU and 'Wider Europe': Toward an Alternative Geopolitics of Regional cooperation?' *Geopolitics* 10:3, 429-454.

Sullivan and Skelcher, 2002, *Working Across Boundaries: collaboration in public services,* Basingstoke, Palgrave Macmillan.

Sullivan H, Barnes M and Matka E, 2002, 'Building Collaborative Capacity through 'Theories of Change'*, Evaluation*, 8:2, 205-226.

Sullivan H, Barnes M and Matka E, 2006, 'Collaborative Capacity and Strategies in Area –based initiatives', *Public Administration*, 84:2, 289-310.

Tamminem T, 2004, 'Cross-Border Cooperation in the Southern Balkans: Local, National or European Identity Politics', *South East European and Black Sea Studies*, 4:3, 399-418.

Vangen S and Huxham C, 'Enacting Leadership for Collaborative Advantage: Dilemmas of Ideology and Pragmatism in the Activities of Partnership Managers', *British Journal of Management*, 14, S61-S76

Wolczuk K, 2002, 'Conclusions: Identities, Regions and Europe', in Batt J and Wolczuk K (eds), 203-211.

---

[1] The study of the DKMT Euroregion (Danube-Kris-Mures-Tisa) is a D Soc Sci Dissertation submitted to the University of Bristol. A full version is available as a PDF file at:
http://www.wolverhamptonlabour.com/cgi-bin/cm.cgi?fa=display&cmrid=&ln=CM000391&pop=N&targetid=56&targetname=

[2] There are echoes of these distinctions in Bailer et al who studies the impact of enlargement on European institutions using theoretical constructs of adaptation, oligarchization and formalization.

[3] NUTS Nomenclatures des Unités Territoriales, standard EU statistical levels.